

Approved
ECONOMIC DEVELOPMENT ADVISORY BOARD (EDAB)
MEETING MINUTES
CITY OF FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8TH FLOOR CONFERENCE ROOM
WEDNESDAY, AUGUST 11, 2010 – 3:45-5:15 P.M.

<u>Board Members</u>	<u>Attendance</u>	<u>Present</u>	<u>Absent</u>
Dev Motwani, Chair	P	8	0
Miya Burt-Stewart, Vice Chair (4:23)	P	5	3
Sean de Vosjoli	A	5	3
Christopher Denison	P	8	0
Sheryl Dickey (4:01)	P	6	2
Kenny Herskowitz	A	3	3
George Mihaiu	P	2	0
Cort Neimark	P	6	2
Ralph Riehl	A	7	1
Adam Sanders (3:59)	P	5	3

At this time, there are 10 appointed members to the Board, which means 6 would constitute a quorum.

Staff

Stephen Scott, Economic Development Director
Karen Reese, Economic Development Representative
Patricia Smith, Economic Development Secretary III
Barbara Hartmann, Recording Secretary, Prototype, Inc.

Communications to City Commission

None at this time.

I. Call to Order & Introductions & Chair Report

Chair Motwani called the meeting to order at 3:54 p.m. Roll was called and it was noted a quorum was not yet present.

The members, Staff, and guests introduced themselves at this time.

The following Item was taken out of order on the Agenda.

IV. Director's Report

Mr. Scott distributed copies of a Resolution adopted by the City in July, which allows for members to participate electronically in advisory meetings under specific circumstances. Accepted causes for absence include physical disability or "other similar extraordinary circumstance." Seven days' advance notice is required; in cases of emergency, the reason for absence must be presented to the Board at the beginning of the meeting, and members will vote to allow or disallow the absent member to participate electronically. Electronic attendance does not count toward a quorum, nor may that member vote at the meeting. Mr. Scott noted that the City Attorney's Office has not yet ruled on whether telephonic or videoconference attendance is counted as being present at a meeting.

Mr. Neimark asked if individuals participating via videoconference can see speakers and presentations or exhibits. Mr. Scott replied he did not believe this capability is possible yet.

Mr. Scott reported that Economic Development is working on a plan with the Downtown Development Authority (DDA), the Beach Council, and the Greater Fort Lauderdale Chamber of Commerce to bring more cruise ship passengers into the City. Patricia Zeiler, Managing Director of the Downtown Fort Lauderdale Transportation Management Association (TMA), is working to increase TMA routes and develop a route to specifically attract these passengers. He planned to report on this project again at the next scheduled meeting.

Mr. Sanders joined the meeting at 3:59 p.m.

Ms. Dickey joined the meeting at 4:01 p.m.

Mr. Scott added he would also report on the possibility of "bringing food and beverage to Fort Lauderdale Beach" at the next meeting. Currently only non-alcoholic drinks are allowed on the beach.

Chair Motwani requested an update on the status of the Sign Ordinance. Mr. Scott reported that Assistant City Attorney Sharon Miller is working on this update, and asked if any Board members were interested in communicating the Board's position to Attorney Miller on the various recommendations regarding the Ordinance. Chair Motwani offered to assume this responsibility.

Chair Motwani asked if there was an update on the progress of the parking study. Mr. Scott offered to invite Diana Alarcon, Director of Parking and Fleet Services, to the next Board meeting to provide an update.

II. Approval of July 14, 2010 Minutes

Motion made by Mr. Sanders, seconded by Mr. Denison, to approve the minutes of the July 14, 2010 meeting. In a voice vote, the **motion** passed unanimously.

III. Recovery Zone Bond Applications and Presentations

Chair Motwani noted that both applicants were present at the meeting, and confirmed that all Board members had reviewed the applications. It was requested that each applicant limit his/her presentation to 10 minutes.

Mr. Scott recalled that the City's allotment for Recovery Zone Bonds is approximately \$12 million; however, he pointed out that by use of the bond financing, applicants who are approved receive "beneficial interest rates" but must still be approved by banks or other financial institutions to fund the bonds. The City does not fund the bonds itself, and receiving a Recovery Zone Bond is equal to receiving a loan.

He continued that the County also received an allotment for Recovery Zone Bonds; they have advised Mr. Scott that it has been "a struggle" to obtain financing, and have done so for less than 50% of the allotted funds thus far. The applicants before the Board today have applied for roughly \$7 million; if the two projects are recommended by the Board, the applications will be moved on to the City Commission.

He noted that the application for the shops on Arts Avenue is for \$5,877,873. City Community Capital has submitted a letter of interest in this application, although they have not yet made a binding commitment of funds. The County's Office of Economic and Small Business Development feels the letter must be "firmed up" before they would be willing to proceed, and Mr. Scott agreed the City would "expect more" as well. He recommended the use of language stating the Board's recommendations for approval are subject to review and approval by the City Attorney and Bond Counsel to ensure legal sufficiency.

The other applicant at today's meeting, the Marina Mile Yachting Center, is requesting \$994,163. Their commitment letter is sufficient for this stage in the approval process; however, this application must also be "firmed up" significantly. This stage of approval is considered a preliminary step to determine whether the projects are worth further consideration.

Chair Motwani invited the applicants to make their presentations at this time.

Sean Jones, representing MJDCAOA, LLC, explained that the project involves "Shops on Arts Avenue." He showed an aerial view of the site, which is located on the corner of 7th Avenue, also known as Avenue of the Arts, and Sistrunk

Boulevard. The building on this corner would be demolished and the land behind it is owned by the City and currently under contract. The applicant owns the corner property and has "a development deal" with the City to develop it using the plan described on their application.

This plan would involve four buildings and 35,190 sq. ft. of retail space; they would include a grocery store, a bank, and other national retailers. Mr. Jones showed different aerial perspectives of the proposed site, as well as a pedestrian view of the buildings. He explained the project would serve as "an anchor to the northwest," and would create a "town center effect" on Sistrunk Boulevard and NW 7th Avenue.

The project has been submitted to the Development Review Committee, and is scheduled to go before the Planning and Zoning Board in September or October 2010. With respect to financing, the overall cost of project development would be approximately \$10.5 million, of which \$4.4 would be "hard" construction costs. Another \$1-1.5 million would be in "soft" costs, and the remainder consists of the land value. He reiterated that the project has a letter of interest from City Community Capital, with whom he is negotiating; other lenders have been approached as well.

The project would create 65 permanent jobs, as well as 165 construction jobs throughout that phase of its development. He noted that there have been indications that soft costs must be reviewed by Bond Counsel, and could potentially reduce the request from \$5,877,873 to approximately \$5,350,000. Mr. Jones stated this change would not affect the ability to execute on the project.

Mr. Neimark asked what the typical square footage of a Publix grocery store might be. Mr. Jones recalled Publix uses "multiple prototypes," the smallest of which he estimated at 28,000 sq. ft. Sav-a-Lot, which would be the grocery store on the proposed site, uses a model of 14,500-17,000 sq. ft., a 40% "savings" on the area of a traditional grocery store. There would be 172 parking spaces.

Vice Chair Stewart joined the meeting at 4:23 p.m.

Ms. Dickey asked if the Board could receive additional information regarding the creation of jobs. Mr. Jones said an impact analysis is included in the backup material. Ms. Dickey asked if documentation required the firm to hire from within the immediate community. Mr. Jones replied they have a responsibility to "hire people at a certain level of income;" City Staff has reviewed the language included in the lease with Sav-a-Lot, and is satisfied that this language is "consistent with the development that we have."

Ms. Dickey clarified that while there is no clause that requires hiring from the immediate community, a clause is included that requires hiring individuals with

low to moderate incomes. Mr. Jones pointed out that it would not be unreasonable to expect individuals would be hired from the local community if they apply and are qualified, although he noted this may not be the case for management positions.

Ms. Dickey asked if there is a clause related to the use of minority-owned and small firms with regard to construction costs. Mr. Jones answered there is a clause in "all our agreements" that the firm will "hire people from the area." Presently the plan calls for an affiliate company to carry out construction, as it is experienced in the development of shopping centers and has relationships with local subcontractors, who will be invited to bid on the project.

Vice Chair Stewart noted that MJDCAOA, LLC is a "minority prime," and asked what "the sentiment" might be for using other minority firms. Mr. Scott replied he would not be able to answer this question, as it relates to the development agreement between the City and the project's principals, although he felt the City would ensure fair practices were used across the board. He did not feel the use of a minority prime would reduce the desire for fair tactics. Mr. Jones added that they are required to provide Community Development with "certain information," and Community Development has an obligation to review this information and ensure there is compliance.

Mr. Jones continued that they have met with the DRC in July and are addressing the comments received at that time. They are not required to go before the City Commission for the site plan unless they are "called up" for this purpose. Mr. Scott clarified that the project is not required to break ground by the end of 2010, but the deal must be closed by that time.

Ms. Dickey requested further clarification on the economic impact analysis provided in the backup material. Mr. Jones said 24 jobs will come directly from Sav-a-Lot, and others are estimated based upon retailers and the national bank with whom the applicant is in negotiations. The jobs provided by retail were estimated due to the applicant's intention to "get some restaurants on that corner" to activate the space after 5 p.m.

Ms. Dickey asked if Mr. Jones could ask the firm responsible for the economic impact study to provide a government analysis on the number of jobs created by a specific amount of retail; she explained this would serve as backup to the impact study.

The Board thanked Mr. Jones for his presentation.

Motion made by Ms. Dickey, seconded by Vice Chair Stewart, to approve the project as exists, subject to review and approval by the City Attorney and/or Bond Counsel.

Mr. Jones advised that he had contemplated the ability of the principals, or an affiliate entity, to purchase the bonds and receive the benefit of the tax-exempt interest "as a backup." This is still being analyzed to determine if there are any potential financial pitfalls. Mr. Scott pointed out that "subject to approval" would address this possibility.

In a voice vote, the **motion** passed unanimously.

For the purposes of the second application, Mr. Scott clarified that Mr. Denison would speak as a member of the Marina Mile Yachting Center rather than as a member of the Board, and would recuse himself from the vote on this project.

Mr. Denison explained the property has always been either a boatyard or a boat building facility. He advised that there are a number of open permits, although most major infrastructure improvements have been completed, such as paving, electrical, water, and dock reconstruction, among others. The Center presently has one full-time employee, its general manager, although Mr. Denison stated they intend to add employees to operate machinery and provide other basic services. A number of marine subcontractors will also work on the site.

The improvements planned for the Center include a completed building, which is estimated at a cost of \$300,000. This will provide a covered area under which marine contractors may work on the property. Crew housing apartments are also planned, as are additional boardwalks, a security building, stabilization of the shoreline, and a graving dock.

He showed an artist's rendering of what is planned for the property, which consists of three upland acres and three acres of basin. An application for a submerged land lease will be requested from the State, and will allow for the addition of more floating docks on the property. The potential lender feels this is an opportunity to take advantage of tax-free bonds to enhance the viability of the Center and bring other people into the City.

Ms. Dickey asked if there is an opportunity for new employment associated with the Center. Mr. Denison said there was. Ms. Dickey asked if there are opportunities for minority employment. Mr. Denison stated he has always worked in boatyards that had policies of bringing in and training minority employees, and noted there are many jobs for individuals willing to work their way up and learn a trade. He felt the marine industry provides a good opportunity to develop these skills, and asserted that "a significant percentage" of the employees and subcontractors working at boatyards are minorities.

Vice Chair Stewart noted that she had seen the property and it did not seem to be busy. She asked how the business operates. Mr. Denison explained at

present there are roughly 30 boats and 60-80 people on-site on a given day, including subcontractors.

Mr. Neimark asked what is being done to retain marine industry. Mr. Denison advised that one issue had been the 6% sales tax, which meant a boat must be "taken out of the state" within 90 days; a change in 2009 allows a vessel to remain 180 days if work is being done on the boat, and as of July 1, 2010, the State legislature has capped the sales tax at \$18,000.

Mr. Neimark asked if comparable facilities are already in operation in the City. Mr. Denison said there are five other facilities on the Marina Mile, and the Lauderdale Marine Center, on the east side of I-95, is a much larger facility, currently employing 30 people.

Ms. Dickey asked if the Marina Mile Yachting Center is equipped to service mega-yachts. Mr. Denison replied the facility can handle boats of up to 160 ft. as well as small boats.

Motion made by Ms. Dickey, seconded by Vice Chair Stewart, to so move to approve and move forward, subject to review and approval by the City Attorney and Bond Counsel. In a voice vote, the **motion** passed 6-0 (Mr. Denison abstaining).

V. Old / New Business

- **Communications to City Commission**

Mr. Scott noted that Jenni Morejon of the Planning and Zoning Department would like to provide an update on the Riverwalk Master Plan at a future meeting. In addition, he would look into arranging a tour of the Lauderdale Marine Center for the members.

Chair Motwani encouraged the Board members to let him or Mr. Scott know if they would like to suggest topics of interest related to economic development.

There being no further business to come before the Board at this time, the meeting was adjourned at 5:08 p.m.

[Minutes prepared by K. McGuire, Prototype, Inc.]

attachment: Conflict of Interest

APPENDIX F: Memorandum of Voting Conflict (Form 8B) Clerk

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS	
LAST NAME—FIRST NAME—MIDDLE NAME Denison, Christopher	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Economic Development Advisory
MAILING ADDRESS 6397-2 Bay Club Drive	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF:
CITY Fort lauderdale, FL COUNTY BWD	<input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
DATE ON WHICH VOTE OCCURRED July 11, 2010 August 11, 2010	NAME OF POLITICAL SUBDIVISION:
	MY POSITION IS <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which inures to his or her special private gain or loss. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent organization or subsidiary of a corporate principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on other side)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Christopher Denison, hereby disclose that on ~~July 11, 2010~~ AUGUST 11, 2010 :

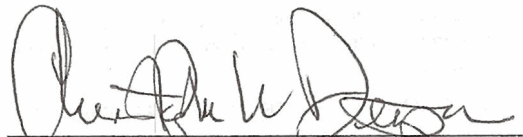
(a) A measure came or will come before my agency which (check one)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____;
- inured to the special gain or loss of my relative, _____;
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

8/11/2010

Date Filed


Signature Christopher Denison

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.